

Overview and Status Update of the §1603 Program

June 16th, 2011

This document provides a brief overview and status update of the §1603 *American Recovery and Reinvestment Tax Act* (ARRTA) program administered by the Department of Treasury in conjunction with the Department of Energy (DOE).

1 Overview

The §1603 program offers renewable energy project developers cash payments in lieu of the investment tax credits (ITC).¹ The value of the awards are equivalent to 30% of the project's total eligible cost basis in most cases. Qualifying technologies include:

- biomass
- combined heat and power
- fuel cells
- geothermal
- incremental hydropower
- landfill gas
- marine hydrokinetic
- microturbine
- municipal solid waste
- solar
- wind

As of June 16th, 2011,

- total number of projects funded = 15,125
- total §1603 funding = \$7.7 Billion
- total private and federal investment in §1603 projects = \$26.0 Billion
- total installed capacity of funded projects = 11.6 GW
- total estimated electricity generation from funded projects = 30.4 TWh

¹An additional provision of ARRA allows project developers who are eligible for the production tax credit (PTC) to instead elect to receive the ITC or an equivalent cash grant.

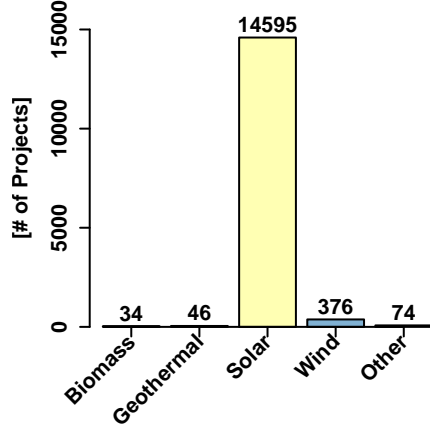


Figure 1: Number of projects by type

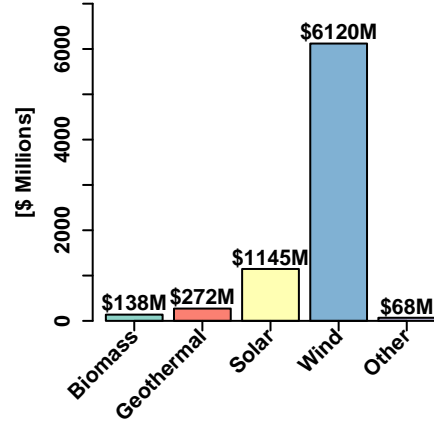


Figure 2: Awards by project type

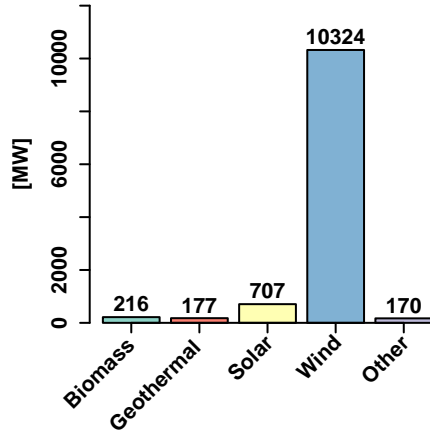


Figure 3: Generation capacity by project type

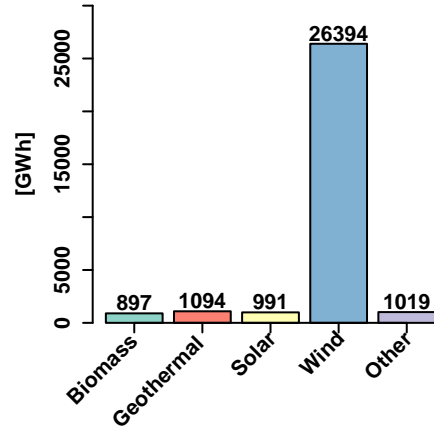


Figure 4: Estimated generation by project type

2 Geographic Distribution of Projects and Funds

Solar projects make up the large majority of funded projects, thus the geographic distribution of all projects is driven by the location of solar projects. Therefore, we find the majority of projects located in regions with strong solar resources (CA, AZ, etc.) and/or robust solar incentives (NJ, NY, CT, MA, etc.). In contrast, wind projects make up the majority of total capacity of §1603 projects and thus the distribution of total capacity is driven by the location of wind projects (TX, IL, OR, etc.).

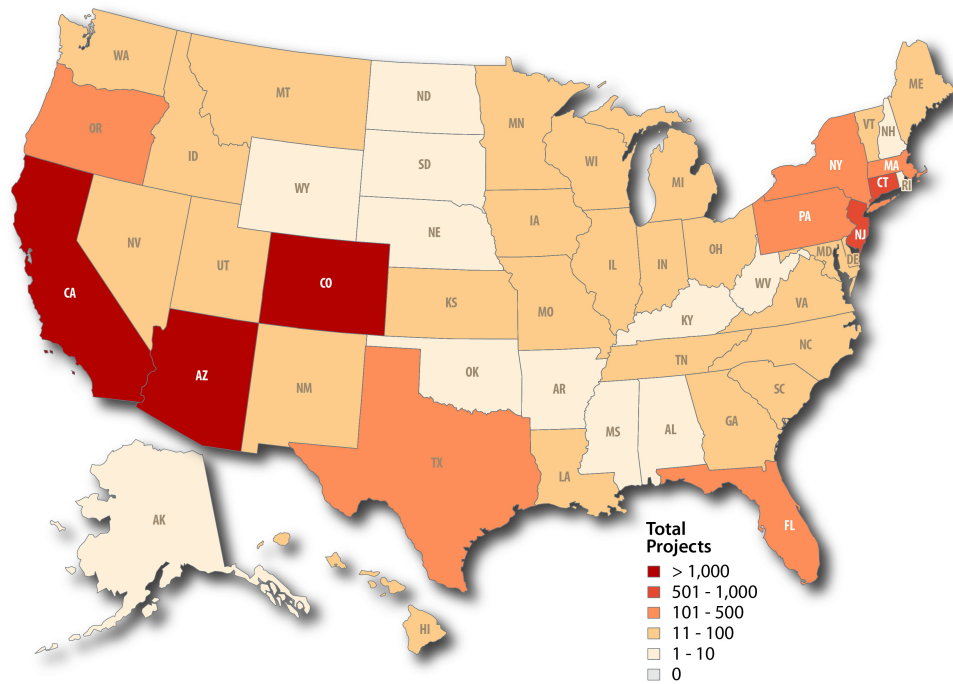


Figure 5: Total number of funded projects by state

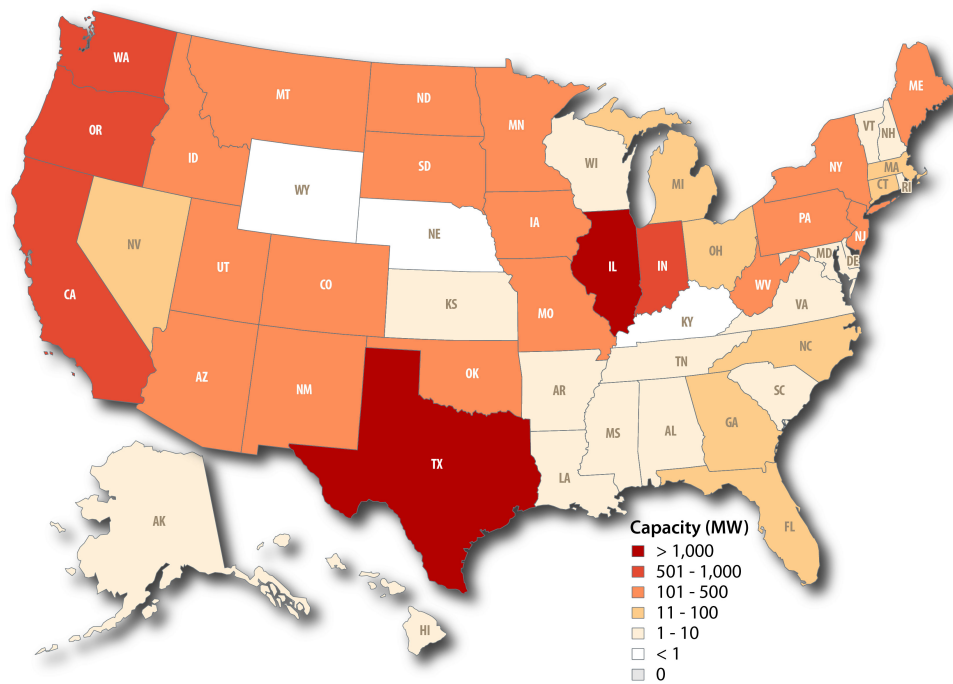


Figure 6: Total capacity of §1603 projects by state

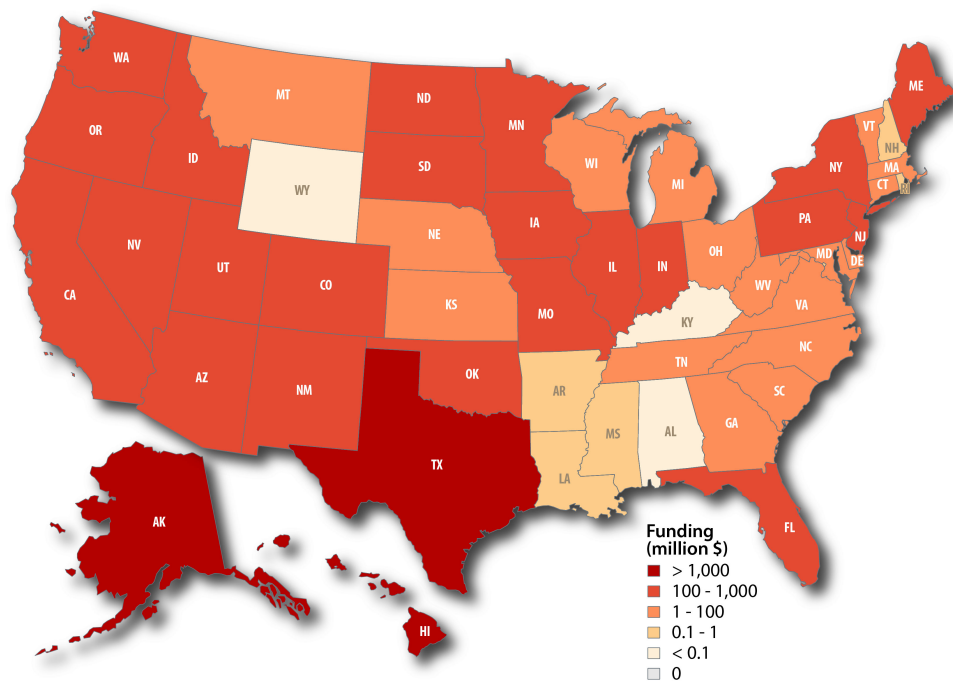


Figure 7: Total awards by state

Table 1: Summary of the §1603 Program by State

State	Total Funding [\$Millions]	# of Projects	Installed Capacity [MW]
Alabama	\$ 0.05	2	0.03
Alaska	\$ 0.65	2	0.9
Arizona	\$ 145.08	1758	165.98
Arkansas	\$ 0.23	4	0.11
California	\$ 630.54	8055	601.96
Colorado	\$ 179.63	1026	224.09
Connecticut	\$ 30.12	825	16.21
Delaware	\$ 3.82	34	3.11
District of Columbia	\$ 0.51	13	0.04
Florida	\$ 204.67	202	56.95
Georgia	\$ 34.07	58	35.9
Hawaii	\$ 16.72	100	8.05
Idaho	\$ 245.91	38	397.95
Illinois	\$ 681.34	41	1130.21
Indiana	\$ 346.13	13	607.1
Iowa	\$ 280.74	70	496.33
Kansas	\$ 1.62	13	2.05
Ketucky	\$ 0.03	2	0.01
Louisiana	\$ 0.27	30	0.13
Maine	\$ 151.72	20	251.09
Maryland	\$ 7.68	38	5.08
Massachusetts	\$ 35.69	379	21.66
Michigan	\$ 37.15	46	54.42
Minnesota	\$ 185.89	83	290.71
Mississippi	\$ 0.24	7	0.36
Missouri	\$ 195.78	31	298.12
Montana	\$ 68.83	13	120.03
Nebraska	\$ 44.89	6	60.06
Nevada	\$ 123.29	22	99.42
New Hampshire	\$ 0.76	7	0.38
New Jersey	\$ 162	690	100.07
New Mexico	\$ 116.71	27	205.33
New York	\$ 319.12	216	483.84
North Carolina	\$ 39.04	77	26.45
North Dakota	\$ 190.76	7	363.45
Ohio	\$ 20.22	81	49.77
Oklahoma	\$ 168.29	10	298.93
Oregon	\$ 351.6	234	647.81
Pennsylvania	\$ 282.28	286	374.6
Puerto Rico	\$ 2.04	14	1.06
Rhode Island	\$ 0.34	4	0.18
South Carolina	\$ 1.89	28	1.03
South Dakota	\$ 162.68	6	309.2
Tennessee	\$ 8.42	71	4.18
Texas	\$ 1548.88	241	2734.71
Utah	\$ 153.81	13	213.79
Vermont	\$ 3.32	24	2.71
Virginia	\$ 2.97	32	2.92

Washington	\$	474.94	32	717.63
West Virginia	\$	70.55	2	102.62
Wisconsin	\$	9.06	90	3.65
Wyoming	\$	0.03	2	0.01
Totals:	\$	7,742.99	15,125	11,592.40